LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 6610 NOTE PREPARED: Dec 5, 2003

BILL NUMBER: HB 1101 BILL AMENDED:

SUBJECT: State Contracts.

FIRST AUTHOR: Rep. Harris BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State

DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill provides that a contract for services entered into by a state agency must specify that only citizens of the United States and individuals authorized to work in the United States may be employed in the performance of services under the contract or any subcontract.

Effective Date: July 1, 2004.

Explanation of State Expenditures: This bill limits state agencies to entering into service contracts with firms that employ U.S. citizens or individuals authorized to work in the U.S. to perform the contracted service. To the extent that this provision could potentially diminish the pool of eligible service providers that can bid for state service contracts, state contracting costs could increase.

A specific fiscal analysis of the proposal is indeterminable as it will depend on the marketplace's response to the preference. It is presumed that only a very limited number of service contracts entered into by state agencies would be affected by this provision.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of State Administration; State agencies that contract for services.

HB 1101+

Local Agencies Affected:

Information Sources:

Fiscal Analyst: John Parkey, 317-232-9854.

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